



GARY R. HERBERT
Governor

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Lieutenant Governor

State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA
Division Director

July 12, 2010

CERTIFIED RETURN RECEIPT
7005 0390 0000 7507 4368

Brett Wilson
Chemical Lime Company of Arizona
Mining & Exploration Department
3700 Hulen Street
Fort Worth, Texas 76107

Subject: Evaluation of Reclamation Surety and Periodic Plan Review, Chemical Lime Company of Arizona, Grantsville Quarry, M/045/0028, Tooele County, Utah

Dear Mr. Wilson:

The Division of Oil, Gas and Mining's last reclamation cost estimate for the Grantsville quarry was completed in 2002 and escalated to 2007 dollars. On May 8, 2008, the Division wrote and required that you increase the surety amount from \$398,300.00 to \$466,240.00 and that the increased surety and a new reclamation contract be submitted by July 8, 2008.

The Division has yet to receive the increased surety or the new reclamation contract. Failure to maintain and update the surety may, after notice and opportunity for Board hearing, result in a withdrawal of the approved notice of intention.

Please provide the increased surety and the new reclamation contract (copy enclosed) no later than September 13, 2010. Please contact the Division if you will be unable to meet this deadline.

We appreciate the work that has been done to clean up the bone yard, and the amount of required surety could be decreased if you are able to reduce the liability through reclamation.

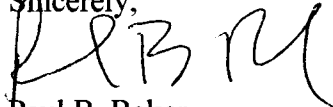
In addition to the bond adjustment, the Division requests that you review the Notice of Intention to Conduct Large Mining Operations (NOI) to determine whether it is adequate and reflects the current operating conditions.



Brett Wilson
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Thank you for your cooperation. Please contact me at 801-538-5261 or Leslie Heppler at 801-538-5257 if you have questions about this letter.

Sincerely,

A handwritten signature in black ink, appearing to read 'PBBM', written over the word 'Sincerely,'.

Paul B. Baker
Mining Program Manager

PBB:pb
Enclosure: Reclamation Contract
cc: jblake@utah.gov
O:\M045-Tooele\M0450028-ChemicalLime\draft\escalate-07122010.doc